

Resolution Authorizing the Sale, Issuance and Delivery of Preliminary Loan Notes in the Aggregate Principal Amount of \$5,305,000, the Execution of Requisition Agreement No. 1, and the Execution and Delivery of Project Temporary Loan Note No. 1, in Connection with Project No. UR Mass. 2-3

WHEREAS, Boston Redevelopment Authority (herein called the "Local Public Agency") has entered into a contract dated as of the 29th day of January, 1958, numbered Contract No. UR Mass. 2-3, (which, together with any supplements thereto or amendments, modifications or waivers of any provisions thereof, is herein called the "Loan and Grant Contract"), with the United States of America (herein called the "Government") acting by and through the Housing and Home Finance Administrator, providing, in part, for a Project Temporary Loan by the Government to the Local Public Agency under Title I of the Housing Act of 1949 (Public Law 171-81st Congress, approved July 15, 1949) in an amount outstanding at any one time not to exceed \$11,242,424.00 to aid the Local Public Agency in its undertaking and carrying out of a certain slum clearance and urban redevelopment project (herein called the "Project") designated Project No. UR Mass. 2-3, and which is more fully identified in the Loan and Grant Contract; and

WHEREAS, pursuant to advertisement for the receipt of proposals for the purchase of the First Series of Preliminary Loan Notes (herein sometimes called "Preliminary Loan Notes") of the Local Public Agency aggregating \$5,305,000.00, which appeared in a Notice of Sale published in the May 27, 1958 issue of the Boston Herald in the City of Boston, Massachusetts, and in the May 27, 1958 issue of the Daily Bond Buyer in the City of New York, proposals for the purchase of said notes in the form approved by the Local Public Agency were received, opened, and canvassed at the time and place mentioned in said advertisement, to wit: At 73 Tremont Street in the City of Boston, Massachusetts, at one o'clock P.M. E. D. S., June 10, 1958, which proposals are as follows:

<u>Name of Bidder</u>	<u>Interest Rate %</u>	<u>Principal Amount</u>	<u>Premium</u>
Rockland Atlas National Bank	.58	\$ 200,000	\$ 2.00
C. J. Devine & Co.	.79	2,000,000	30.00
Chase Manhattan Bank & Rockland Atlas National Bank	.80	3,000,000	30.00
Chase Manhattan Bank & Rockland Atlas National Bank	.80	2,305,000	23.00
Second Bank-State Street Trust Co.	.80	100,000	-
Chemical Corn Exchange Bank	.82	5,305,000	13.00
Salomon Bros. & Hutzler	.83	2,305,000	40.00
Salomon Bros. & Hutzler	.83	3,000,000	48.00

and

WHEREAS, the interest cost at which the Local Public Agency can sell the Preliminary Loan Notes is substantially lower than the interest rate which the Government is required to charge the Local Public Agency under the terms of the Loan and Grant Contract, and the Government is desirous of cooperating with the Local Public Agency in its endeavor to sell said Preliminary Loan Notes in order to reduce carrying charges and other costs of the Project.

BE IT RESOLVED BY the Boston Redevelopment Authority AS FOLLOWS:

Section 1. The aforesaid publication of the Notice of Sale and the form and contents thereof as so published, are hereby, in all respects, approved, ratified and confirmed.

Section 2. In order to provide funds to defray expenses incurred or to be incurred in the Local Public Agency's undertaking and carrying out of the Project, or to retire, refund, renew or extend its outstanding notes issued in connection therewith, the Local Public Agency hereby determines to borrow the sum of Five Million Three Hundred Five Thousand Dollars (\$5,305,000.00) and issue its negotiable Preliminary Loan Notes therefor in aggregate principal amount equal to said sum.

Section 3. The Local Public Agency hereby ratifies and approves the form of the proposal hereinafter in this Section 3 enumerated, for the purchase of the designated principal amount of the Preliminary Loan Notes, which proposal the Local Public Agency hereby determines will provide the lowest interest cost and is therefore hereby accepted, and said Preliminary Loan Notes are hereby awarded to said Purchaser, as follows:

<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Purchaser</u>
\$ 200,000	.58%	Rockland Atlas National Bank
2,000,000	.79%	C. J. Devine & Co.
3,000,000	.80%	Chase Manhattan Bank and Rockland Atlas National Bank
105,000	.80%	Chase Manhattan Bank and Rockland Atlas National Bank

Section 4. Each such note shall be dated the 8th day of July, 1958; shall be designated "Preliminary Loan Note"; shall be payable, as to both principal and interest, to bearer, on the 23d day of January, 1959; and, pursuant to the proposal for the purchase of said notes, hereinabove accepted, shall bear the rate of interest per annum, payable at maturity, shall bear the numbers, be in the denominations, and be payable as to both principal and interest at the bank or trust company as follows:

<u>Purchaser</u>	<u>Number</u>	<u>Denominations</u>	<u>Interest Rate</u>	<u>Payable At</u>
Rockland Atlas National Bank	1-2 inclusive	\$100,000	.58%	Rockland Atlas Nat'l Bank, P.O. Bx. 2156-Boston Mass.
C. J. Devine & Co	3-22	100,000	.79%	Hanover Bank, 70 Broadway, New York, N. Y.
Chase Manhattan Bank & Rockland Atlas Nat'l Bank	23-45 46-53 54-62 63-74 75-86	100,000 50,000 25,000 10,000 5,000	.80% .80%	Chase Manhattan Bank 18 Pine St., N. Y., N. Y.

None of the Preliminary Loan Notes shall be valid until after the bank or trust company at which it is payable shall have signed the agreement, appearing on each such note, to act as paying agent thereof. Each of the Preliminary Loan Notes shall be signed in the name of the Local Public Agency by the Chairman of the Local Public Agency and shall have the corporate seal of the Local Public Agency impressed thereon and attested by the Secretary thereof, and said officers are hereby authorized and directed to cause said notes to be properly executed.

Section 5. Each of the Preliminary Loan Notes shall be issued in substantially the form of the note hereto attached and marked Exhibit "A".

Section 6. The Agreement entitled "Requisition Agreement No. 1" (herein called the "Requisition Agreement") which has been executed by the officers of the Local Public Agency, and has been presented to and read before the meeting, and the execution thereof, are hereby fully ratified, confirmed and approved. Said

Requisition Agreement, when executed by the Government, is hereby declared to be and is hereby assigned by the Local Public Agency for the benefit of the holder or holders from time to time of the Preliminary Loan Notes, and the proceeds of the Project Temporary Loan Notes executed pursuant to Section 7 hereof are hereby irrevocably pledged first, to the payment, at maturity, of the principal of and interest on the Preliminary Loan Notes issued pursuant to this Resolution.

Section 7. The Chairman and Secretary of the Local Public Agency are hereby authorized and directed to prepare and execute the Project Temporary Loan Note described in the Requisition Agreement (the issuance of which has heretofore been authorized by a Resolution entitled "RESOLUTION AUTHORIZING THE ISSUANCE OF CERTAIN PROJECT TEMPORARY LOAN NOTES IN CONNECTION WITH PROJECT NO. UR MASS. 2-3 AND PROVIDING FOR THE SECURITY FOR THE PAYMENT THEREOF, AND FOR OTHER PURPOSES", duly adopted by the Local Public Agency on the 24th day of January, 1958), in the principal amount of Five Million, Three Hundred Seventy-Two Thousand Dollars (\$5,372,000). Said notes shall be designated "Project Temporary Loan Note"; shall be numbered Number 1; shall be dated the 8th day of July, 1958; shall bear interest from the date of the acceptance of the Local Public Agency's delivery thereof and the payment therefor by the Government; shall bear a statement at the foot thereof in substantially the following form:

Delivery of this note was accepted and payment therefor made on the _____ day of _____ 19____, in accordance with Paragraph 2 of Requisition Agreement No. ____.

UNITED STATES OF AMERICA
Housing & Home Finance Administrator

By _____

and shall not be valid until said statement is duly executed on behalf of the Government. Said Project Temporary Loan Note shall be delivered by the Executive Director of the Local Public Agency to the Government to be held and paid for by the Government in accordance with the terms and conditions contained in said Requisition Agreement.

Section 8. The proceeds derived from the sale of the Preliminary Loan Notes, together with such amount of other appropriate funds of the Local Public Agency as may be necessary, shall be applied, simultaneously with the receipt of said proceeds, as follows:

First: To the payment and discharge of the principal of and interest on the following Project Temporary Loan Notes of the Local Public Agency issued pursuant to the Loan and Grant Contract and held or to be held by the Government for its own use and benefit on the date of the Preliminary Loan Notes herein authorized:

<u>No.</u>	<u>Date</u>	<u>Principal Amount</u>
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None

Second: Any balance of such proceeds shall be deposited in the appropriate account or fund established pursuant to the Loan and Grant Contract and shall be used only in accordance with the provisions of the Loan and Grant Contract.

Section 9. The Chairman is hereby authorized and directed to send immediately a letter to each paying agent for the Preliminary Loan Notes in substantially the form of the letter hereto attached and marked Exhibit "B" and to transmit the Preliminary Loan Notes to said paying agent for delivery and payment in accordance with the terms of said letter.

Section 10. This Resolution shall take effect immediately.

